

UPF UPDATE

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GIANT LEAP IN FUNDING PROPOSED IN PRESIDENT'S BUDGET—FOR WHAT?

G O L D P L A T E D B U D G E T E D I T I O N

WHEN IT COMES TO MODERNIZING the nuclear weapons complex, President Obama is putting the conservative Congress to the test. Despite having no approved plan for the UPF, the Obama administration is asking Congress for \$430 million for the bomb plant in this year's budget—a 30% increase over last year's \$330 million. Outyear projections show the UPF budget continuing to grow, topping half a billion dollars a year by 2017. The budget suggests the facility will be ready to operate in 2025.

This spending request is not based on a cost projection for the UPF—having failed miserably to estimate costs in the past, the National Nuclear Security Administration has thrown up its hands and says it simply will not offer an estimate until the design for the facility reaches 90% completion. When might that be? We have no idea.

CONSERVATIVE CONGRESS?

In the meantime, will Congress hand out another nearly half a billion dollars for a new bomb plant, sight unseen?

Last year's National Defense Authorization Act ordered NNSA to justify the need for the UPF by preparing a study on the necessity of manufacturing new thermonuclear secondaries (the core of the H-bomb) for each nuclear warhead undergoing life extension. Should the study indicate (as a similar study on plutonium primaries did several years ago) that secondaries do not need to be completely replaced, most of the "need" for the UPF evaporates into thin air, because building secondaries and cases is the UPF's sole mission.

THE UPF IN THE BUDGET*

FY 2016	\$430,000,000
FY 2017	\$500,000,000
FY 2018	\$515,000,000
FY 2019	\$520,000,000
FY 2020	\$525,000,000

** these numbers are based on no legitimate design or cost estimates; they are literally pulled from thin air.*

A fiscally conservative approach would refuse to fund a multi-billion dollar bomb plant until it was certain the facility was needed. What this Congress will do remains to be seen.

TENNESSEE POWER

The situation may prove sticky for Tennessee's Senators. On the one hand, they are pledged to be fiscally responsible; on the other hand, the billions of federal dollars for this boondoggle are coming to their state. Senator Lamar Alexander, chair of the Senate's Energy and Water Appropriations Subcommittee literally holds the purse strings for the UPF. Senator Corker, chair of the Foreign Relations Committee, "follows Alexander's lead," according to his staff.

It is not a given that Republicans will waste money on ill-conceived projects, even when they are labeled national security needs. In the last decade, several NNSA schemes for new nuclear weapons—the Robust Earth Penetrator and so-called mini-nukes among them—were turned down by Congress, and it was Congressman David Hobson, R-Ohio, who held the line. He repeatedly confronted the weaponeers with common sense and declared their plans to produce new nuclear weapons to be dangerous and counter to US nonproliferation policy. Hobson was no dove—until he retired, he represented the Ohio district that is home to Wright-Patterson Air Force Base.

SAME OLD SAME OLD?

Twenty years ago, the Government Accountability Office created a "High Risk List" after conducting a wide-

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ranging audit of federal programs. In 2013, the UPF was a poster child for the GAO's list—an example of how not to control costs on a project as it flushed \$500 million dollars down the drain on a too-small design.

This week, GAO released the 2015 list, and NNSA continues to hold its slot on the list. GAO identified five things NNSA must do to get control of project management and spending. NNSA did one of them. Partly did another. Failed to do the other three. GAO noted in a special footnote that these five things were identified in the 1990's.

NNSA declared in 2011 it had mitigated most of the root causes of their most significant problems. Since then, NNSA has become a veritable machine of fixes, cranking out 21 recommendations last year to meet continuing challenges. So much for fixing the root causes!

The UPF gets its own paragraph in this year's update of the list, one of a half dozen major projects that DOE/NNSA simply can not get under control.

PERSISTENT PROBLEMS

How does one design a building to accommodate equipment and processes when one does not yet know what the equipment will look like, how it will be configured, how much space it will require, or what safety mechanisms will be required? How does one draw up a coherent plan that addresses these issues not just for one new piece of equipment, but for multiple new technologies?

The conservative answer, one any old-time driver of a horse-drawn cart would immediately grasp, is you don't. First you figure out the technology, all of it, and then you design the building you are going to put it in.

The first attempt to do it the other way has already cost taxpayers more than half a billion dollars.

NNSA is spending hundreds of millions of dollars designing a bomb plant that will incorporate ten brand new, heretofore untested technologies. Many of these technologies have yet to reach Technical Readiness Level 6 which is the stage at which an actual physical prototype is built and tested in a simulated operating environment.

The industry standard requires new technologies to reach TRL 7 before they can be incorporated into a blueprint; NNSA is ignoring that industry standard.

ROOT CAUSE

The problems plaguing the UPF and other NNSA projects do not rely on only one root; they are fed by a system of roots. But the tap root is not hard to find—it is a lack of accountability for mistakes.

Projects run over schedule by decades, budgets double and double again, the tally runs into the billions of dollars, but whether it is the UPF, the MOX plant in South Carolina or the Waste Treatment Facility at Hanford, Congress keeps handing out money, few questions asked.

There is no line-management accountability. Congress has yet to hold a hearing on the half billion dollar UPF "space/fit" fiasco or replace any personnel responsible for the waste and delay.

The reluctance to hold personnel

accountable or to establish effective corrective actions for management malfeasance may simply be the oldest political practice of all—good old boys taking care of one another.

When the new \$22 billion management contract for Y12/Pantex was granted by the federal government, the winning bidder turned out to be a partnership between Lockheed Martin and Bechtel. The two companies created a new company, Consolidated Nuclear Services, to carry out the work. After winning the contract, CNS declared it would grant the UPF construction contract to its parent company, Bechtel, in a no-bid maneuver. Approving all of this was NNSA Administrator General Frank Klotz. Klotz had been a paid consultant for Bechtel just a year earlier, while they were developing their proposal for the Y12 contract.

Luckily for taxpayers, NNSA and Bechtel have thoroughly investigated this strange coincidence and cleared themselves and General Klotz of any wrongdoing.

That's not the only connection. Years ago, when the Lockheed Corporation was preparing to consume Martin Marietta, directors on the Martin Marietta Board received payouts to step down from the Board. That's right, for doing nothing. One of the beneficiaries of those payouts was now-Senator Lamar Alexander who was on the Martin Marietta Board at the time and pocketed a sweet \$93,000 just to walk away.

The **UPF ACCOUNTABILITY PROJECT** is a project of the Oak Ridge Environmental Peace Alliance to collect, develop and provide information to the public about the multi-billion dollar Uranium Processing Facility planned for the Y12 Nuclear Weapons Complex in Oak Ridge, TN in the spirit of Thomas Jefferson who admonished that an informed public is the only safe repository of government.

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